AMENDED IN ASSEMBLY MAY 8, 2012 AMENDED IN ASSEMBLY APRIL 10, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2471

Introduced by Assembly Member Lara

February 24, 2012

An act to add Section 66409.5 to the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 2471, as amended, Lara. Postsecondary education: e-textbooks. (1) The Donahoe Higher Education Act authorizes the activities of the 4 segments of the postsecondary education system in the state. These segments include the 3 public postsecondary segments: the University of California, which is administered by the Regents of the University of California, the California State University, which is administered by the Trustees of the California State University, and the California Community Colleges, which is administered by the Board of Governors of the California Community Colleges. Private and independent postsecondary educational institutions constitute the other segment.

Provisions of the Donahoe Higher Education Act apply to the University of California only to the extent that the regents act, by resolution, to make them applicable.

Existing law urges textbook publishers to take specified actions aimed at reducing the amounts that students pay for textbooks, including providing to faculty and departments considering textbook orders a list of all the different products the publisher sells. Existing law requires the Trustees of the California State University and the Board of

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Governors of the California Community Colleges, and requests the Regents of the University of California, to take specific actions with their respective academic senates, college and university bookstores, and faculty to promote the selection of textbooks that will result in cost savings to students.

This bill would require the trustees and the governing board of each community college district, and urge the regents and the governing body of each private postsecondary educational institution that offers a baccalaureate degree, to develop and adopt rules, regulations, and procedures that would mandate that an e-textbook, as defined, that is assigned as required or recommended reading in a course offered at the postsecondary educational institution comply with specified requirements. These requirements include: pricing tiers reflecting consumer access rights over periods of time, as specified; cloud storage, as defined; the provision of digital rights management information, as specified; and a refund policy, as prescribed; and unbundled electronic subscriptions to online services relating to the e-textbook.

Because the bill would impose new duties on community college districts, it would constitute a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- SECTION 1. Section 66409.5 is added to the Education Code, to read:
- 3 66409.5. (a) The Trustees of the California State University 4 and the governing board of each community college district shall,
- 5 and the Regents of the University of California and the governing
- 6 body of each private postsecondary educational institution that
- 7 offers a baccalaureate degree are urged to, develop and adopt rules,
- 8 regulations, and procedures that would mandate that an e-textbook
- 9 assigned as required or recommended reading in a course offered

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at the postsecondary educational institution comply with all of the requirements of subdivision (b).

- (b) An e-textbook assigned as required or recommended reading in a course offered at the postsecondary educational institution shall comply with-all of the following:
- (1) For content licensed as proprietary copyright, the e-textbook shall be offered with pricing tiers that reflect consumer access rights over periods of time. At a minimum, both a "rental" price and a "lifetime purchase" price shall be listed by the publisher, clearly noting consumer access to the e-textbook over periods of time.
- (2) The e-textbook shall be offered with cloud storage, and shall be housed by copyright publishers for access by consumers.

(3)

(1) For content licensed as proprietary copyright, the publisher shall make available to the consumer a clear and explicit refund policy allowing a full refund for a purchased e-textbook for up to 14 days from the date of purchase.

(4)

- (2) The publisher shall provide the consumer with explicit digital rights management information, including, but not limited to, all of the following:
 - (A) The percentage of the e-textbook that can be printed.
- (B) The percentage of the e-textbook that can be copied and pasted outside of the electronic reading environment.
- (C) The percentage of the e-textbook that can be exported outside of the electronic reading environment.
- (D) The durability of any notes or highlights the consumer creates.
- (E) The duration of time in which the consumer can access the e-textbook.
- (5) The publisher shall offer electronic subscriptions to online services relating to the e-textbook that are not bundled with the e-textbook, to enable students with a hardcopy version of the textbook to purchase these electronic subscriptions without also purchasing the e-textbook.
 - (c) As used in this section:
- (1) "Cloud storage" means a model of networked online storage where data is stored in virtualized pools of storage that can be accessed through a Web service application programming interface

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(API) or through a Web-based user interface. Cloud storage access shall be consistent with purchased price tier, including indefinitely.

(2)

- (1) "E-textbook" means an electronic text, image, or interactive modular-based publication in digital form, licensed as either proprietary copyright or under applicable open license terms including creative commons, produced on, published by, and readable on, computers or other digital devices. "E-textbook" includes enhancement components, including multimedia.
- (3) "Lifetime purchase" means a price that allows access to e-textbook material in perpetuity. A feature that is available at the time of purchase shall be available to the consumer indefinitely.
- (2) "Multimedia" includes, but is not necessarily limited to, sound, images, video, animated graphics, and interactive features.
- (5) "Rental" means a price that allows access to an e-textbook for an explicit, set amount of time, with the expiration date for the e-textbook clearly noted to the consumer.
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.